# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

UNSTARRED QUESTION NO:943
ANSWERED ON:24.11.2000
DECLINE IN THE PRODUCTION OF SUGAR
GOWDAR MALLIKARJUNAPPA;MADHAVRAO SCINDIA;RENUKA CHOWDHURY;SUSHIL KUMAR SAMBHAJIRAO SHINDE

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) the over-all sugar production in the country during the last three years;

(b) whether the sugar production has reduced as a result of non-payment of arrears to the sugarcane growers during the past few years;

(c) if so, the details thereof alongwith the reduction in sugar prouduction as a result thereof; and

(d) the corrective steps being taken by the Government in this regard?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION ( S SREENIVASA PRASAD )

(a), (b), (c) & (d) : The overall sugar production in the country during the last three Sugar Seasons (Oct.-Sept.) was as under :-

| SUGAR SEASON | PRODUCTION (In lakh tonnes) |
|---|---|
| 1997-98 | 128.44 |
| 1998-99 | 155.20(P) |
| 1999-2000 | 181.41(P) |

(P) - Provisional

As is evident from the above, the sugar production in the country has not reduced. However, the Central government have taken the following measures to clear the cane price arrears of the farmers :-

(i) The levy obligation of sugar factories has been reduced from 40% to 30% w.e.f. 01.01.2000.

(ii) To restrict inflow of imported sugar in the country Government w.e.f. 09.02.2000 have increased the custom duty on imported sugar to 60% alongwith the existing countervailing duty of Rs.850 per tonne.

(iii) The government have been pursuing a policy of encouraging stability and reasonable level of sugar prices in the domestic market through judicious releases of freesale sugar quotas.

(iv) Advance releases pf freesale sugar are being made to needy sugar factories to pay the cane price dues.

(v) Government have decided to allow export of 10 lakh tonnes of sugar to lessen the surplus stocks of sugar held by the sugar factories.